



## California Public Utilities Commission

505 Van Ness Ave., San Francisco

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### FOR IMMEDIATE RELEASE

### PRESS RELEASE

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### **CPUC ISSUES CITATIONS TO PG&E AND SOCALGAS FOR SAFETY VIOLATIONS**

SAN FRANCISCO, January 23, 2015 - The California Public Utilities Commission (CPUC) today issued Citations to Pacific Gas and Electric Company (PG&E) and Southern California Gas Company (SoCalGas) for natural gas-related violations found during the course of CPUC safety audits.

The CPUC's safety and enforcement staff issued the following two Citations to PG&E:

- \$430,000 Citation for three violations that deal with specific Federal requirements that utilities must undertake to properly understand the risks faced by their systems and effectively manage system integrity, including requirements to periodically inspect and test pipelines to identify and repair potentially hazardous defects. Among several issues found during the audit, PG&E failed to immediately excavate and examine pipelines that showed signs of potential corrosion based on a process called indirect assessment. The violations were first found during an audit that began in September 2012. The violations were subsequently confirmed through additional investigation by CPUC staff that lasted into 2014.
- \$100,000 Citation for two violations related to a gap in PG&E's Operator Qualification procedures that potentially allowed for non-qualified personnel to perform field work, which could create a hazardous condition for the public and utility employees. The violations were found during an audit that began in November 2013.

CPUC staff issued a \$50,000 Citation to SoCalGas when during the course of a 2013 audit a utility employee was observed smoking inside a fenced valve station, creating a danger of an accidental



ignition. Utility employees must control sources of ignition, not limited to cigarettes, within transmission and storage facilities.

The utilities have 10 calendar days to pay or contest the Citations.

The Citations are available at [www.cpuc.ca.gov/PUC/safety/Pipeline/citations.htm](http://www.cpuc.ca.gov/PUC/safety/Pipeline/citations.htm).

In September 2013, the CPUC finalized its internal procedures for its Gas Safety Citation Program, establishing the foundation for a program intended to make safety central to a utility company's bottom line. The CPUC requires, first of all, the immediate correction of any unsafe condition. The CPUC's Safety and Enforcement Division (SED) has staff-level authority to issue Citations to natural gas companies for violation of CPUC or Federal gas safety codes and regulations. The financial penalty can range up to \$50,000 per day of violation.

Safety violations are identified through SED's ongoing audits, inspections, and investigations, or by the utilities themselves through mandatory disclosure requirements. Further, the CPUC has a whistleblower program for anonymous and protected reporting of violations to 1-800-649-7570 or [safetyhotline@cpuc.ca.gov](mailto:safetyhotline@cpuc.ca.gov).

For more information about the CPUC, please visit [www.cpuc.ca.gov](http://www.cpuc.ca.gov).

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